EXHIBIT 1

Maximilian Klein, et al., on behalf of themselves and all others similarly situated, v. Meta Platforms, Inc.,
U.S. District Court Northern District of California
Case No. 3:20-cv-08570-JD

Expert Report

of Scott Fasser

July 7, 2023

Table of Contents

I. INTRODUCTION

A. Qualifications

1.   I am a digital product and marketing expert with more than 27 years' experience with media buying and selling (display, search, social, print, DRTV, etc.), digital advertising technology, product development, organic (non-paid) customer growth and customer service/retention. My experience spans both business to consumer (B2C) as well as business to business (B2B).

2.   I am an adjunct professor at the University of Washington's Foster School of Business and am teaching a course on Digital Marketing Systems and Strategies as well as a Digital Marketing Analytics course for the professional certification extension.

3.   My CV is attached as Exhibit A.

B. Background and Assignment

4.   I understand that Plaintiffs are a group of people and companies, including Affilious, Inc.; Jessyca Frederick; Mark Young; 406 Property Services, PLLC;Mark Berney, and Katherine Looper ("Plaintiffs") who bought advertising from Meta Platforms, Inc. ("Meta" or "Facebook" or "Defendant") assert that they paid anticompetitively inflated prices for such advertising.[1]

5.   I have been asked by counsel for the Plaintiffs to provide certain factual background related to the purchase of social advertising on Meta properties such as Facebook and Instagram, as well as how certain types of advertising are priced in the ordinary course of business.

II. SOCIAL ADVERTISING USES A DIFFERENT PRICING MECHANISM THAN SEARCH ADVERTISING

6.   Facebook and other display advertising primarily implement cost per mille ("CPM") pricing as it is more consistent with traditional media buying – TV for example uses Gross Rating Points ("GRP's") which is built around audience size, print uses the CPM method and display advertising evolved from the desire to transfer budget from non-digital media into display media. Facebook is also very audience centric in its media targeting approach which

---

[1]   *Maximilian Klein, et al., on behalf of themselves and all others similarly situated, v. Meta Platforms, Inc.*, U.S. District Court Northern District of California, Case No. 3:20-cv-08570-JD, First Amended Consolidated Advertiser Class Action Complaint ("Complaint"), ¶1.

allows media buyers to filter certain audience attributes such as male/female, location, interests, behaviors and activity to achieve an estimated SIZE of addressable audience. A Cost per click ("CPC") method has been layered in as an effective CPC ("eCPC") metric to allow the cost to be compared with traditional performance based digital advertising like search-based advertising. In later years, a cost per action ("CPA") methodology was added as an option to compete with performance digital networks.

7.   Paid search, on the other hand, as was pioneered by Overture (acquired by Yahoo) and Google started with a CPC model which was a unique approach when introduced. The CPC method functioned very well for paid search since the targeting was based on what keywords people were using versus audience demographics or behaviors. The keyword focused targeting is very much a performance-based approach which extends into how the media is priced – ONLY if someone clicks on the ad is the advertiser charged versus just seeing it (which is an impression that would be captured by CPM). Only later did Google add an effective CPM metric to support comparing across different media types like display and paid social. Google also introduced a CPA pricing method later in its evolution.

III.   ALL SOCIAL ADVERTISING PURCHASERS ON FACEBOOK AND INSTAGRAM GO THROUGH THE SAME AUCTION

8.   To my knowledge, every purchaser of advertising that will be shown on Facebook or Instagram purchases through the Facebook auction. Each filter in the targeting approach mentioned above would restrict the total available audience, which automatically changes the estimated CPM cost of the media. Functionally, this can only happen through a universal auction approach versus manually set or bespoke media pricing.

9.   Accordingly, Facebook did not routinely offer discounts to individual advertising buyers. When Facebook would seek to add value for larger advertisers, Facebook would offer account services, creative support, access to pilot ad. type programs, and analytical support – but not discounts on pricing.

Signed

DocuSigned by:

Scott Fasser

3A7BCC5901904FA...

Scott Fasser

Dated: 7/5/2023

EXHIBIT A

Scott Fasser

P: 206-713-4185 | E: scott@branddigital.net | T:@scottfasser | Linkedin.com//in/scottfasser

---

Profile

Seasoned data and systems minded digital marketing executive with years of progressive experience in digital infrastructure, product marketing, digital media, website development, optimization, direct marketing, testing, search engine marketing, direct mail, DRTV and team development. Over 25 years in technology and agency organizations across a range of business models including games, consulting, ad tech, e-commerce, SaaS, digital music, financial services, and machine learning. Fluent in B2C, B2B and B2B2C.

Experience

Principle Consultant – MarTech/MarComm Solutions Team Lead (2021 – Current)

Lead a team that supports clients with implementing digital marketing technologies and solutions to get them closer to true 1:1 communications with their customers to drive growth, enhance their brand and improve customer experience.
- Created a global experimentation and learning program for Fortune 50 media company
- Implemented a digital communication personalization program for a Fortune 100 financial services company
- Led the implementation of an Objectives and Key Results approach to goal setting for a major tech company
- Developed a digital media attribution approach and methodology for a Fortune 50 media company

Adjunct Professor - University of Washington (2015 – Current)

Currently teaching two courses on Digital Marketing to classes ranging from 35-40 professionals.
- UW Foster School of Business – MBA – Mktg 579 – Digital Marketing Systems & Strategies
- UW Professional Certification Extension – Digital Marketing Analytics

Founder/Chief Digital Strategist - Brand Digital, Inc. (2002 – Current)

Helped businesses launch and grow through planning, infrastructure development, experimentation and optimization.

- RealNetworks – Built paid search program from zero to $10 million+ annual budget across 6 product lines including Rhapsody, SuperPass, Real Broadband Essentials & RollingStone.com over 4.5 years. Utilized advanced bid management methodologies combined with relentless testing of creative, landing pages and order process to increase sign-ups by 1,000%, lower cost per acquisition by 25% and improve conversion rates by over 120%. Led first large scale digital, multivariate testing in Seattle using Optimost software.
- Avidian Technologies – Integral part of launch and management team to introduce Prophet CRM for Outlook. Created marketing plan, copy, value proposition, web site design, tracking/analytics systems and all campaigns. Assisted in expanding revenue from $0 to $4 million in sales utilizing paid/organic search, email, affiliates, public relations, case studies, web media and sales optimization.

VP Marketing – Sigma IQ – sigmaiq.com (2019 – 2020)

Introduced Machine Learning based account reconciliation platform to the Finance & Account function.
- Built demand generation, marketing and analytics infrastructure across Webflow.io, Segment & HubSpot.
- Created personas, customer journeys, value proposition, content and messaging platform for B2B software
- Generated SQLs + Demos from range of companies: Coca-Cola, JP Morgan Chase, Prudential, REI and more
- Hired, trained, instrumented and managed Sales Development Firm for outbound calling, emailing & follow-up

VP Marketing + Analytics - Tomorrow Ideas – tomorrow.me (2017 – 2018)

Responsible for growth, customer insight and team leadership for new estate planning, B2C mobile app
- Launched iOS app and grew user base to over 100,000 installs within a year through paid & earned media
- Built the marketing technology stack: Segment, Kochava, AppBoy/Braze, AWS Redshift, Google Analytics.
- Reduced customer acquisition cost (CAC) by 68% through creative, audience and channel optimization.
- Led DRTV agency selection, creative process, media strategy, measurement and launch.

Director of Digital Innovation - Hacker Agency (2013 – 2017)

Built digital practice through training, organizational skills and revenue within performance marketing agency.
- Led team to deliver new capabilities including: Cross-Device Targeting & Measurement, Offline to Online Targeting, List Driven Digital and true cross sales channel campaign attribution to our largest client – AT&T.
- Doubled digital revenue growth per year through innovation, training, and client engagement.

- Key part of pitch team to win new business in Healthcare, Insurance, Digital Media and Telecom.
- Created, hired & trained digital ad operations group to support media, account and reporting groups.

Director of Digital Marketing Solutions - Optify (2009 – 2013)

Established and built professional service organization – hired and trained four employees, established engagement process, customer engagement monitoring and reporting utilizing Salesforce and internal data.
- Responsible for growing Microsoft business from one to five accounts in two years resulting in a 3x increase in revenue, building internal team and managing vendors while creating training and process for enterprise accts.

President, COO - Domain Strategies, Inc.

Co-founded Domain Strategies with Monster Venture Partners to build a domain development business with the goal of increasing the value of premium domain names through site development, partnerships and new revenue models.

- Business & project lead for Alerts.com, Tanning.com, Wifi.com, Careers.org and Slideshow.com site launches.
- All elements of business managed: project management, contract negotiation with domain owners, company formations, business planning, site architecture, site optimization and search engine marketing.

Senior Product Manager – CRM - Amazon.com

Developing targeted merchandising strategies and optimizations to increase the percentage of customers shopping in non-media product lines utilizing customer data analysis, segmentation, new on-site ad units and messaging.

- Project lead for 35 distinct tests to drive new shoppers into recently launched stores: Kitchen, Garden & more.
- Designed a strategic framework for predicting and managing customer lifetime value.
- Worked with Apparel team to launch new store and cross sell efforts on site

Senior Product/Marketing Manager – Customer Insight Group - Avenue A/Atlas DMT

Responsible for the definition and marketing of a series of new business groups and technologies in a rapidly growing digital marketing agency and technology platform.

- Defined, branded and launched Consulting Group to create a revenue stream built on the unique customer behavioral data captured by ad serving technology. Resulted in the highest margin business unit.
- Developed idea, project managed & launched Vital Signs – Avenue A's first site side analysis product.
- Built thought leadership program – Avenue A Institute – to promote agency with data insight.

Asst to the Chairman/Sub-Commander of Marketing/Sr Product Manager - Sierra On-Line

Worked directly for the CEO/company founder and VP of Marketing to assist in a wide range of partnership, developer relations, financial, product management and market research projects.

- Product Manager for non-traditional brands such as the award winning Screamin' 3D Video Board. Developed strategy, marketing plans, negotiated partnerships with game developers and educated channel sales team.
- Directed 1997 budget process for 13+ million-dollar marketing budget and nine product groups.
- Created business plan and launched World Opponent Network – WON.net – Online Gaming Portal. Built WON.net into top 400 website with $3 million marketing budget, 8 direct reports & 1 million+ visits/month.
- Created formal, staffed market research function to handle 1st party user research and 3rd party data sources.

General Manager – Finance & Information/Process Analyst - Rabanco Recycling

Integral part of management team that turned around the largest Material Reclamation Facility in the Northwest. We transformed a facility losing $3 million/year to generating positive net revenue of $5 million/year.

- Reduced per ton operating costs through recycling sampling, cross-training, use of flexible labor and reduction of high repair costs on both physical plant and rolling stock. Implemented bonus program for managers.
- Assisted in negotiating new recycling contracts with city, county and state agencies.
- Created Return to Work programs for injured employees. Resulted in $600,000 annual savings company wide.

Education

Masters in Business Administration (Finance, International Business)   University of Washington
Bachelor of Arts (History, Economics)   Trinity University

Foreign Study Programs in Vienna, Austria and Copenhagen, Denmark

Certifications and Training:

Pragmatic Marketing Certification	Google AdWords + Analytics Certification
Marketing Experiments Certification in Online Testing	Widemile Multivariate Testing Platform
Growth Master Certification	Hubspot Inbound Sales Certification